Working for America Act Mission Statement

The Working for America Act will require agencies to better manage, develop, and reward employees to better serve the American people.

Background

The current personnel system was designed in the late 1940s to maintain governmentwide consistency for jobs that were very similar and based on the principle of same pay for the same job, without regard for the level of performance. Today's workforce is far less uniform than it was 50+ years ago. Federal employees perform a wide range of roles, at different proficiency levels.

Agencies need the ability to manage, develop and reward employees as the professionals they are.

The Working For America Act Fact Sheet

The Administration has developed draft legislation that would require agencies to better manage, develop and reward employees to better serve the American people. We have worked with Congressional staff and Chief Human Capital Officers to identify reforms that would be good for employees and taxpayers. We now are beginning a process to seek feedback and input from additional Congressional offices, agency employees and union leadership.

<u>Civil Service Modernization Will Help The Federal Government Make More Effective Use Of Taxpayer Dollars</u>

- American taxpayers expect their money to be spent wisely and for government programs to produce the desired results efficiently and effectively.
- A skilled Federal workforce is critical to the success of government programs. Agencies need to be equipped with tools to recruit and retain good workers.

The Current Personnel System Is Outdated

- The Federal government needs to improve the way it manages people. The current system was
 designed in the 1940s and was based on the principle of same pay for the same job —without regard to
 level of employee performance. This system:
 - Prevents employees from reaching their full potential.
 - Does not sufficiently recognize employees for their work.
 - Does not hold managers accountable for how well they manage employees. Employees themselves say they are not managed well.
- The current system also impedes the government-s ability to retain quality employees and recruit new ones.
 - The Office of Personnel Management (OPM) projects that in 2005, more than 30 percent of employees eligible for retirement will retire.
 - The length of time required to hire employees is too long in most agencies: an FY 2002 OPM study found that it took 102 days, on average, for agencies to fill a vacancy using a competitive process.
 - A 2002 Council on Excellence in Government survey indicates that only 27 percent of 18-30 year olds would prefer working in the public sector, while 62 percent would prefer working in the private sector.
 - A 2005 Partnership for Public Service survey of recent college graduates revealed that "too much bureaucracy" was the most popular reason (33 percent) for not considering a career in the federal government.
- Employees indicate, through the latest OPM Federal Human Capital Survey, that:

- Only 27 percent of workers say that steps are taken to deal with poor performers who cannot or will not improve;
- Only 29 percent of workers say that differences in performance are recognized in a meaningful way;
- Only 30 percent of workers say they are satisfied with the recognition they receive for doing a good job.

Major Stakeholders Agree On A Vision For The Federal Workforce

- Frontline employees, managers, and union leaders —through focus groups and meetings —tell us they
 want to see:
 - A working environment that promotes professional growth.
 - Managers that help employees grow professionally.
 - o Civil servants who are treated like professionals —not like bureaucrats.
- This proposal would achieve these important goals by updating systemic weaknesses—lack of flexibility, lack of training, inability to reward performance—and preserving successful components of the system.

Reform is Focused and Reasonable

- This proposal would modernize the current pay structure to meet the needs of today-s workforce.
- Pay groups will be based on market, locality, and performance.
 - o Implementation and agency performance plans must be certified by OPM.
 - o Performance expectations will be in writing and aligned with agency/organizational goals.
- Veterans÷preference remains intact for hiring.
- Collective bargaining rights remain largely unchanged.
- The proposal would streamline the process for dealing with misconduct and poor performance, but would place a higher burden of evidence on agencies dealing with poor performers.

Modernization Upholds Essential Employee Protections

- Even with needed modernization, important and longstanding civil service protections remain:
 - Due process
 - Protection against favoritism in hiring and compensation
 - Whistleblower protections and anti-discrimination laws
 - Veterans÷preferences in hiring
 - Collective bargaining

Working for America Act Guiding Principles

1. American citizens expect the Federal Government to achieve results.

The goals of individual employees must be tied in a meaningful way to agency missions. Individuals deserve to know how their performance contributes to that mission.

- 2. Those results are achieved by people who comprise the Federal workforce.
- 3. We need a personnel system that creates an environment where employees have the greatest opportunity to reach their full potential.

Individual employees should be provided:

- clear performance goals,
- managers who can help them be successful, and
- pay based on merit and market
- 4. A system that values performance and potential must also ensure accountability. The public expects it, as do Federal employees.

The Federal Human Capital Survey reveals that only 27 percent of Federal employees believe steps are taken to deal with poor performers and only 29 percent believe differences in performance are recognized in a meaningful way.

5. An employee's career (and pay) potential should recognize achievement and not be determined by the passage of time or obsolete job classifications.

It takes 18 years for a new employee to reach the top of a GS pay grade, regardless of how well they perform.

GS pay grades were defined by a law that has remained largely unchanged since the middle of the last century and were designed for a workforce that is obsolete.

6. Any enhancements to the personnel system must be made within the context of the core values, principles, and protections of the American civil service

Reform can be accomplished while fully preserving core principles and protections. Making needed enhancements promotes merit system principles by extending them to how pay decisions are made.

7. No agency should be at a competitive disadvantage in hiring due to limited availability of reforms.

The personnel systems that make it more likely that employees reach their full potential will soon cover over half of the Federal workforce. The remainder should be afforded similar opportunities.

8. Managers should be given the tools to be good leaders and held accountable for results.

Managers must be trained, provided with the tools and be held accountable to lead. Proposed reforms will ensure managers are equipped to develop and lead employees.

9. Implementation of the new systems at agencies will occur only upon certification.

OPM will be charged with ensuring an agency is ready before it can utilize the flexibilities in the bill and certifying its readiness.